

# Exhibit 3

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

- - - - - x  
:  
In re: : Chapter 11  
:  
CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)  
et al., :  
:  
Debtors. : Jointly Administered  
- - - - - x

**DEBTORS' THIRD OMNIBUS MOTION FOR ORDER PURSUANT TO  
BANKRUPTCY CODE SECTIONS 105(a), 365(a) AND 554 AND  
BANKRUPTCY RULE 6006 AUTHORIZING REJECTION OF CERTAIN  
UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY AND  
ABANDONMENT OF PERSONAL PROPERTY**

The debtors and debtors in possession in the  
above-captioned jointly administered cases (collectively,

the "Debtors")<sup>1</sup> hereby move (the "Motion") for entry of an order, pursuant to sections 105(a), 365(a) and 554 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the Debtors to (i) reject certain unexpired leases of real property, including any amendments, modifications or subleases thereto, as set forth on the attached Exhibit A (collectively, the "Leases"), and any guaranties thereof and (ii) abandon any equipment, furniture or fixtures located at the premises covered by the Leases (the "Premises"). In support of the Motion, the Debtors respectfully represent:

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

**JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are Bankruptcy Code sections 105(a), 365(a) and 554 and Bankruptcy Rule 6006.

**BACKGROUND**

3. On November 10, 2008 (the "Petition Date"), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code.

4. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.

5. On November 12, 2008, the Office of the United States Trustee for the Eastern District of Virginia appointed a statutory committee of unsecured creditors (the "Creditors' Committee"). To date, no trustee or examiner has been appointed in these chapter 11 cases.

6. On January 16, 2009, the Court authorized the Debtors, among other things, to conduct going out of business sales at the Debtors' remaining 567 stores pursuant to an agency agreement (the "Agency Agreement") between the Debtors and a joint venture, as agent (the "Agent"). On January 17, 2009, the Agent commenced going-out-of-business sales pursuant to the Agency Agreement at the Debtors' remaining stores.

**RELIEF REQUESTED**

7. By this Motion, the Debtors request the entry of an order under Bankruptcy Code sections 105(a) and 365(a) and Bankruptcy Rule 6006 authorizing the Debtors to reject the Leases and any guaranties thereof.

8. The Debtors are currently performing their review, evaluation, and marketing of other unexpired leases and subleases that are not the subject of this Motion. As this process continues, the Debtors may identify additional leases to be assumed or rejected. Accordingly, the Debtors reserve the right to seek to assume or reject additional leases in the future. This Motion should not be construed as a determination that

any leases not listed herein are to be assumed or rejected.

9. The Debtors further seek authority under Bankruptcy Code sections 105 and 554 to abandon any equipment, furniture or fixtures located at the Premises (the "Abandoned Property").

**BASIS FOR RELIEF**

10. In an effort to avoid any postpetition administrative costs and in the exercise of the Debtors' sound business judgment, the Debtors hereby move to reject the Leases.

11. The Leases are comprised of the Construction Store Leases, Service Center Leases, Distribution Center Leases, Store Leases, Pearl Ridge Mall Lease and Office Property Leases (each as defined herein).

12. Certain of the Leases cover property and facilities at which the Debtors had intended, but have cancelled plans, to open new stores (the "Construction Store Leases"). Final construction or opening of the Premises covered by the Construction Store Leases was put on hold prior to the Petition Date. The

Construction Store Leases include location numbers 3820, 3863, 4141, 4142, and 4237. The Debtors seek to reject the Construction Store Leases as of February 15, 2009.

13. Certain of the Leases are for property at which the Debtors repaired and refurbished a variety of consumer electronics and entertainment software (the "Service Center Leases"). The Service Center Leases include location numbers 34 and 45. The Debtors' current plan to close all of its stores no longer requires these service centers to remain open and functioning. The Service Center Leases were originally included in the exhibits to the Debtors' Motion for Orders under Bankruptcy Code Sections 105, 363, and 365 (i) Approving Bidding and Auction Procedures for Sale of Unexpired Nonresidential Real Property Leases, (ii) Setting Sale Hearing Dates and (iii) Authorizing and Approving (A) Sale of Certain Unexpired Nonresidential Real Property Leases Free and Clear of All Interests, (B) Assumption and Assignment of Certain Unexpired Nonresidential Real Property Leases and (C) Lease Rejection Procedures (the "Sale Motion") (D.I. 1989, Amended Exhibit, D.I. 2003). After consultation with

its real estate advisor, DJM realty Services, LLC, the Debtors believe that the Service Center Leases are not marketable and seek an earlier rejection date of such Leases than is provided for in the Sale Motion. As the Debtors will no longer occupy the Premises subject to the Service Center Leases as of February 15, 2009, the Debtors, accordingly, seek to reject the Service Center Leases as of February 15, 2009.

14. Certain of the Leases cover property where the Debtors operated retail stores and at which the Agent is currently conducting going-out-of-business sales (the "Store Leases"). The Store Leases include location numbers 843, 1603, 1610, 1624, 1627, 1638, 3189, 3196, 3202, 3226, 3229, 3230, 3244, 3252, 3260, 3276, 3428, 3508, 3510, 3515, 3521, 3564, 3606, 3607, 3608, 3611, 3613, 3621, 3630, 3631, 3635, 3705, 3733, 3734, 3740, 3748, 3750, 3774, 3776, 3830, 3851, 3865, 4246, and 4309. The Store Leases were also included in the aforementioned exhibits to the Sale Motion. The Agent has provided the Debtors with notice of the Agent's intent to turn over the Premises to the Store Leases on February 16, 2009. Accordingly, pursuant to the terms

of the Agency Agreement, the Agent's obligation to pay rent for the Store Leases ceases as of February 16, 2009. In an effort to avoid incurring additional administrative expenses to the estate, the Debtors will expeditiously vacate the Premises of the Store Leases. Thus, the Debtors seek to reject the Store Leases as of February 23, 2009.

15. The Debtors lease property to operate a retail store at Pearl Ridge Mall, location number 3354 (the "Pearl Ridge Mall Lease"). The Agent has provided the Debtors with notice of the Agent's intent to turn over the Premises to the Pearl Ridge Mall Lease on February 22, 2009. Accordingly, pursuant to the terms of the Agency Agreement, the Agent's obligation to pay rent for the Pearl Ridge Mall Lease ceases as of February 22, 2009. In an effort to avoid incurring additional administrative expenses to the estate, the Debtors will expeditiously vacate the Premises of the Pearl Ridge Mall Lease. Thus, the Debtors seek to reject the Pearl Ridge Mall Lease as of February 27, 2009.

16. The Debtors are currently consolidating their business operations at their headquarters in Richmond, Virginia. Certain of the Leases are for property at which the Debtors maintained corporate offices (the "Office Property Leases"). The Office Property Leases include location number 9309 and the Building Lease (as defined herein). The Debtors seek to reject the Office Property Leases as of February 28, 2009.

17. Specifically, the Debtors seek to reject the Lease and Agreement between CRA Acquisition Corp., a Delaware corporation, as Landlord and Circuit City Stores, Inc., as Tenant dated as of February 28, 1990, as assigned to Corporate Realty Income Trust I ("CRIT") via that certain Assignment and Assumption of Lease and Agreement dated as of March 26, 1990 (the "Building Lease"). CRIT ultimately merged with and into Lexington Corporate Properties, Inc. ("Lexington") and effective December 31, 2007, Lexington as the surviving corporation, became the Landlord under the Building Lease. The Debtors are not requesting at this time the authority to reject the Ground Lease and Agreement

between CRA Acquisition Corp., as Tenant and Circuit City Stores, Inc., as Landlord as assigned to CRIT via that certain Assignment and Assumption of Lease and Agreement dated as of March 26, 1990 (the "Ground Lease"). Effective December 31, 2007, Lexington, as the surviving corporation became the Tenant under the Ground Lease. This Motion has no force or effect with respect to the Ground Lease nor any sublease associated with the Ground Lease.

18. Each of the Leases, comprised of the Construction Store Leases, the Service Center Leases, the Store Leases, the Pearl Ridge Mall Lease and the Office Property Leases, is listed on Exhibit A, attached hereto, along with the name of the lessor thereunder, the lease type and the applicable rejection date.

19. Through the rejection of the Leases, the Debtors will be relieved from paying rent, as well as other costs, including taxes, insurance, maintenance and other related charges associated with the Leases. Currently, the Debtors have no operations in certain of the leased facilities and have no other productive use for the Premises. However, the Debtors may be obligated

to pay rent under certain of the Leases.<sup>2</sup> Thus, by rejecting the Leases at this time, the Debtors will avoid incurring unnecessary administrative charges for facilities that provide no tangible benefit to the Debtors' estates. The resulting savings from the rejection of the Leases will increase the Debtors' future cash flow and assist the Debtors in managing their estates.

20. The Debtors have analyzed each of the Leases to determine the appropriate date of rejection. The Debtors have concluded that, in order to minimize unnecessary potential costs to the estate, the Construction Store Leases should be rejected as of February 15, 2009 (the "Construction Stores Rejection Date"); the Service Center Leases should be rejected as February 15, 2009 (the "Service Center Rejection Date"); the Store Leases should be rejected as February 23, 2009 (the "Store Lease Rejection Date"); the Pearl Ridge Mall

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<sup>2</sup> Certain of the real property leases listed on Exhibit A and included in this Motion may have been terminated prior to the Petition Date. This Motion has no force or effect with respect to any such terminated Leases. This Motion is not intended to reinstate or otherwise alter the status of any Lease, and does not mean that any particular landlord is entitled to damages for rejection thereof.

Lease should be rejected as February 27, 2009 (the "Pearl Ridge Mall Rejection Date"); and the Office Property Leases should be rejected as February 28, 2009 (the "Office Property Rejection Date" collectively with the Construction Store Rejection Date, Service Center Rejection Date, the Store Lease Rejection Date and the Pearl Ridge Mall Rejection Date, the "Rejection Date"). The Debtors in each case have vacated or will vacate the properties that are covered by the Leases, and, to the extent applicable, have turned over or will turn over to the lessors the keys to the Premises as of the Rejection Date.

21. In considering their options with respect to the Leases, the Debtors have determined in their business judgment that the costs associated with assuming the Leases would be substantial and would constitute an unnecessary drain on the Debtors' cash resources. Based on this analysis, the Debtors believe that the Leases provide no value to the Debtors' estates and that there remains no viable possibility other than rejection of the Leases.

22. Additionally, the Debtors have determined that the abandonment of the Abandoned Property is appropriate because such property is of inconsequential value and/or the cost of removing and storing such property exceeds its value to the Debtors' estates. Moreover, the Debtors believe that the Abandoned Property is no longer necessary for the operation of the Debtors' businesses.

23. Accordingly, the Debtors believe that rejection of the Leases and any guaranties thereof and abandonment of the Abandoned Property as of the Rejection Date is in the best interests of their estates, their creditors, and other parties in interest.

#### **APPLICABLE AUTHORITY**

##### **I. REJECTION OF THE LEASES IS A SOUND EXERCISE OF THE DEBTORS' BUSINESS JUDGMENT.**

24. Bankruptcy Code section 365(a) provides that a debtor, "subject to the court's approval, may assume or reject any executory contract or unexpired lease." 11 U.S.C. § 365(a). A debtor's determination to reject an executory contract is governed by the "business judgment" standard. See Lubrizol Enterprises,

Inc. v. Richmond Metal Finishers, Inc., 756 F.2d 1043, 1046-47 (4th Cir. 1985), cert. denied sub nom., Lubrizol Enters., Inc. v. Canfield, 475 U.S. 1057 (1986); In re Extraction Technologies of VA, L.L.C., 296 B.R. 393, 399 (Bankr. E.D. Va. 2001); see also In re HQ Global Holdings, Inc., 290 B.R. 507, 511 (Bankr. D. Del. 2003) (stating that a debtor's decision to reject an executory contract is governed by the business judgment standard and can only be overturned if the decision was the product of bad faith, whim, or caprice).

25. Once the Debtors articulate a valid business justification, "[t]he business judgment rule 'is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.'"

Official Comm. Of Subordinated Bondholders v. Integrated Res., Inc., 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting Smith v. Van Gorkom, 488 A.2d 858, 872 (Del. 1985)).

26. The business judgment rule has vitality in chapter 11 cases and shields a debtor's management from judicial second-guessing. See Comm. Of Asbestos-

Related Litigants and/or Creditors v. Johns-Manville

Corp., 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) ("[T]he Code favors the continued operation of a business by a debtor and a presumption of reasonableness attaches to a debtor's management decisions.").

27. As set forth above, the Debtors have satisfied the "business judgment" standard for rejecting the Leases. The Leases are financially burdensome and unnecessary to the Debtors' ongoing operations and business. Rejection of the Leases is in the Debtors' best interests because the Debtors are not and are not intending to conduct retail operations at the Premises. Moreover, the Debtors have reviewed the Leases and have determined that the Leases do not have any marketable value beneficial to the Debtors' estates. As such, the Leases provide no economic benefit to the Debtors, nor are such Leases a source of potential value for the Debtors' estates and creditors. Accordingly, rejection of the Leases reflects the exercise of the Debtors' sound business judgment.

28. In summary, the Debtors believe that the proposed rejection of the Leases is tailored to minimize

administrative expenses, maximize distributions to creditors in these chapter 11 cases, and return control of real property to the lessors quickly. In the exercise of their sound business judgment, the Debtors thus seek authority to reject the Leases.

29. Numerous courts, including those in this district, have authorized similar relief. See, e.g., In re Movie Gallery, Inc., et al., Case No. 07-33849 (Bankr. E.D. Va. Oct. 17, 2007); In re Storehouse, Inc., Case No. 06-11144 (Bankr. E.D. Va. Nov. 21, 2006); In re Rowe Furniture, Inc., Case No. 06-11143 (Bankr. E.D. Va. Nov. 21, 2006); In re The Rowe Cos., Case No. 06-11142 (Bankr. E.D. Va. Nov. 21, 2006); In re US Airways Group, Inc., Case No. 02-83984 (Bankr. E.D. Va. Aug. 12, 2002).

**II. THE BANKRUPTCY CODE AUTHORIZES THE ABANDONMENT OF THE ABANDONED PROPERTY.**

30. Bankruptcy Code section 554(a) provides that “[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a). Courts give debtors in possession great deference to their

decisions to abandon under section 554. See In re Vel Rey Props., Inc., 174 B.R. 859, 867 (Bankr. D.D.C. 1994) (“Clearly, the court should give deference to the trustee’s judgment in such matters.”). Unless the property is harmful to the public, once the debtors in possession have shown that the property is burdensome or of inconsequential value and benefit, the court should approve the abandonment. Id. at 868.

31. The Debtors believe that the costs of moving and storing the Abandoned Property would far outweigh any benefit to their estates. Moreover, the Debtors believe that any efforts to move the Abandoned Property would unnecessarily delay the rejection of the Leases. Therefore, it is in the Debtors’ best interests to abandon the Abandoned Property located at the Premises.

32. Numerous courts, including those in this district, have authorized similar relief. See, e.g., In re Movie Gallery, Inc., et al., Case No. 07-33849 (Bankr. E.D. Va. Oct. 17, 2007); In re The Rowe Cos., Case No. 06-11142 (Bankr. E.D. Va. Nov. 21, 2006).

**NOTICE**

33. Notice of this Motion has been provided to those parties entitled to notice under this Court's Order Pursuant to Bankruptcy Code Sections 102 and 105, Bankruptcy Rules 2002 and 9007, and Local Bankruptcy Rules 2002-1 and 9013-1 Establishing Certain Notice, Case Management, and Administrative Procedures (Docket No. 130) and to all lessors under the Leases. The Debtors submit that, under the circumstances, no other or further notice need be given.

**WAIVER OF MEMORANDUM OF LAW**

34. Pursuant to Local Bankruptcy Rule 9013-1(G), and because there are no novel issues of law presented in the Motion and all applicable authority is set forth in the Motion, the Debtors request that the requirement that all motions be accompanied by a separate memorandum of law be waived.

**NO PRIOR REQUEST**

35. No previous request for the relief sought herein has been made to this Court or any other court.

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter an Order, substantially in the form of the Proposed Order annexed hereto, granting the relief requested in the Motion and such other and further relief as may be just and proper.

Dated: February 13, 2009  
Richmond, Virginia

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Counsel for Debtors and  
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**EXHIBIT A**

**(Unexpired Leases of Real Property)**

**EXHIBIT A**  
**Unexpired Leases of Real Property**

Store #	Location Name	Landlord	Lease Type	Rejection Date
34	Dallas Service Center	Dematteo Management Inc. (landlord) Solo Cup (subtenant)	Service Center	2/15/09
45	Philadelphia Service & Home Delivery Center	Little Britain Holding, LLC, c/o Flynn Company	Service Center	2/15/09
843	Rivergate Superstore	The Village At Rivergate LP	Store	2/23/09
1603	Longview Micro-Superstore	Campbell Properties LP	Store	2/23/09
1610	Waco Mini-Superstore	CC Investors 1995-2	Store	2/23/09
1624	College Station Superstore	Inland Western College Station Gateway II, LP	Store	2/23/09
1627	Florence Mini-Superstore	BPP-SC LLC	Store	2/23/09
1638	Cheyenne Micro-Superstore	Millman 2000 Charitable Trust	Store	2/23/09
3189	Dayton 2 Superstore	Macy's Central	Store	2/23/09
3196	Dayton 3 Superstore	Shoppes Of Beavercreek, LLC	Store	2/23/09
3226	Cool Springs Superstore	Thoroughbred Village GP	Store	2/23/09
3202	Gainesville Mini-Superstore	Circuit Investors #2 Ltd.	Store	2/23/09
3229	Midland Mini-Superstore	CC Investors 1995-5	Store	2/23/09
3230	High Point Superstore	CC - Investors 1996-12	Store	2/23/09
3244	Rocky Mount Micro-Superstore	Cobb Corners II, L. P.	Store	2/23/09
3252	Kingsport Micro-Superstore	CC Kingsport 98, LLC	Store	2/23/09
3260	Tulsa North Micro-Superstore	Southroads, LLC	Store	2/23/09
3276	Clarksville Micro-Superstore	Craig-Clarksville Tennessee, LLC	Store	2/23/09
3354	Pearl Ridge Mall	Watercress Associates LP	Pearl Ridge Mall	2/27/09
3428	San Luis Obispo Superstore	Irish Hills Plaza West II, LLC	Store	2/23/09
3508	Crossroads Superstore	Inland American Oklahoma City Penn, LLC	Store	2/23/09
3510	Tulsa South Superstore	TRC Associates, LLC	Store	2/23/09
3515	Bellevue Superstore	CCI Trust 1994-I; Lloyd Draper - Trustee	Store	2/23/09
3521	Jackson Superstore	CC Ridgeland 98 L.L.C.	Store	2/23/09
3564	Quail Springs Superstore	Memorial Square 1031, LLC	Store	2/23/09
3606	Lakeside Superstore	Bond-Circuit X Delaware Business Trust	Store	2/23/09
3607	Roseville Superstore	CC Roseville, LLC	Store	2/23/09
3608	Novi Superstore	Ramco West Oaks I LLC	Store	2/23/09
3611	Taylor Superstore	CC Investors 1996-14	Store	2/23/09
3613	Westland Superstore	WMI/MPI Business Trust	Store	2/23/09
3621	Evansville Superstore	Evansville Developers LLC, G.B.	Store	2/23/09
3630	Saginaw Superstore	Somerville Saginaw LP	Store	2/23/09
3631	Flint Superstore	Daniel G. Kamin Flint, LLC	Store	2/23/09
3635	Lansing West Superstore	Covington Lansing Acquisition LLC	Store	2/23/09
3705	Spring Meadows Mini-Superstore	Suemar Realty, Inc	Store	2/23/09
3733	Steubenville Micro-Superstore	Landman, Deborah, Eli Landman, Zoltan Schwartz & Anna Schwar	Store	2/23/09
3734	Franklin Park Superstore	Suemar Realty, Inc.	Store	2/23/09
3740	Bangor Mini-Superstore	Sacco Of Maine, LLC	Store	2/23/09
3748	Yuma Las Palimillas Superstore	WCC Properties LLC	Store	2/23/09
3750	St. Clairsville Micro-Superstore	The St. Clairsville Parcel C.C. Development, LLC	Store	2/23/09
3774	Decatur Mini-Superstore	Decatur Plaza I, LLC	Store	2/23/09
3776	Brighton Superstore	Brighton Commercial, LLC	Store	2/23/09
3820	Greensburg, PA	Walnut Capital Partners - Lincoln Place LP	Construction Store	2/15/09
3830	Glynn Isles Superstore	Cap Brunswick, LLC	Store	2/23/09
3851	Madison Heights Superstore	MDS Realty II, LLC	Store	2/23/09
3863	Troy Hills Shopping Center	Federal Realty Investment Trust	Construction Store	2/15/09
3865	Fingerlakes Crossing "The City" Superstore	Fingerlakes Crossing, LLC	Store	2/23/09
4141	Homestead Shopping Center	DDR Homestead LLC, c/o Developers Diversified Realty Corp.	Construction Store	2/15/09
4142	Marlton	Marlton VF, LLC c/o Vornado Realty Trust	Construction Store	2/15/09
4237	Bunker Hills Shopping Center	I-10/Bunker Hill Associates, LP, c/o Fidelis Realty Partners, Ltd.	Construction Store	2/15/09
4246	Baton Rouge Superstore	Ggp Mall Of Louisiana, LP	Store	2/23/09
4309	Alexandria Mall Superstore	Alexandria Main Mall LLC	Store	2/23/09

9039	CCS Office (Westmoreland Telecenter)	Brandywine Grande C, LP	Office Property	2/28/09
9101 <sup>1</sup>	Circuit City Corporate Headquarters (Dr1) (Building Lease only)	Lexington Corporate Properties, Inc.	Office Property	2/28/09

<sup>1</sup> This Motion has no force or effect with respect to the Ground Lease nor any sublease associated with the Ground Lease. The Debtors only seek to reject the Building Lease as of February 28, 2009.

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Counsel to the Debtors and  
Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

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In re: : Chapter 11  
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CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)  
et al., :  
:  
Debtors. : Jointly Administered  
- - - - - x

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a),  
365(a) AND 554 AND BANKRUPTCY RULE 6006 AUTHORIZING  
REJECTION OF CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL  
REAL PROPERTY AND ABANDONMENT OF PERSONAL PROPERTY**

Upon the motion (the "Motion")<sup>1</sup> of the Debtors  
for entry of an order, under Bankruptcy Code sections

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

105(a), 365(a) and 554 and Bankruptcy Rule 6006, authorizing the Debtors to (i) reject certain unexpired leases of real property, including any amendments, modifications or subleases thereto, as set forth on the attached Exhibit A (collectively, the "Leases"), and any guaranties thereof, effective as of the Construction Stores Rejection Date, the Service Center Rejection Date, the Store Lease Rejection Date, the Pearl Ridge Mall Rejection Date and the Office Property Rejection Date (each as defined in the Motion) or such date as the Debtors return keys to the Premises (as defined herein) to the landlord (collectively, the "Rejection Date") and (ii) abandon any equipment, furniture or fixtures located at the premises covered by the Leases (the "Premises"); and the Court having reviewed the Motion; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and

good and sufficient cause appearing therefor, it is  
hereby

**ORDERED, ADJUDGED, AND DECREED that:**

1. The Motion is GRANTED as set forth herein.

2. The Leases and any guaranties thereof are hereby rejected effective as of the Rejection Date. The Building Lease, but not the Ground Lease nor any sublease associated with the Ground Lease, is rejected as of the Rejection Date. Any subleases associated with the Leases or the Premises are hereby rejected effective as of the Rejection Date. The landlords for the Leases (the "Landlords") are entitled to immediate possession of the Premises as of the Rejection Date. Nothing in this paragraph 2 shall preclude a Landlord from seeking rejection damages against a guarantor of a rejected guaranty, in addition to such Landlord's right to seek rejection damages under the Bankruptcy Code.

3. Pursuant to Bankruptcy Code section 554, the Debtors are authorized to abandon any and all improvements, furniture, fixtures, equipment, inventory and/or any other personal property ("Abandoned Property") located at the Premises, and such Abandoned Property is

deemed abandoned on the Rejection Date to the Landlords free and clear of all liens, claims and other interests. The Landlords may, in their sole discretion and without further notice, use, transfer or dispose of such Abandoned Property without liability to the Debtors or any third parties claiming an interest in such Abandoned Property.

4. On the Rejection Date the Debtors are deemed to quitclaim any interest in the real property and improvements at the Premises to the Landlords on an "as is, where is" basis and shall reasonably cooperate with the Landlords, at the sole cost and expense of Landlords, in connection with the execution and recording of such documents as may be reasonably necessary to effectuate such transfer of title or abandonment of the Abandoned Property and improvements at the Premises; provided, however, that nothing in this Order, including this paragraph 4, shall prejudice the rights, claims or defenses of Debtors and Landlords with respect to (i) any tenant improvement allowances or other build-out charges under the Leases or (ii) any third party claims arising from the construction at any

of the Premises, including claims arising from mechanics', materialmens' or laborers' lien, if any, which rights, claims and defenses are reserved.

5. Each counterparty to a Lease or any guaranty thereof shall have until thirty (30) days from the date this Order is entered on the docket to file a proof of claim on account any and all claims (as defined in the Bankruptcy Code), including (without limitation) claims arising from or related to rejection of its Lease or guaranty.

6. The requirement under Local Bankruptcy Rule 9013-1(G) to file a memorandum of law in connection with the Motion is hereby waived.

7. The Court retains jurisdiction to hear and determine all matters arising from or related to the implementation or interpretation of this Order.

Dated: Richmond, Virginia  
February \_\_, 2009

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UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

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Counsel to the Debtors  
and Debtors in Possession

**CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)**

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley

**EXHIBIT A**

**(Unexpired Leases of Real Property)**

**EXHIBIT A**  
**Unexpired Leases of Real Property**

Store #	Location Name	Landlord	Lease Type	Rejection Date
34	Dallas Service Center	Dematteo Management Inc. (landlord) Solo Cup (subtenant)	Service Center	2/15/09
45	Philadelphia Service & Home Delivery Center	Little Britain Holding, LLC, c/o Flynn Company	Service Center	2/15/09
843	Rivergate Superstore	The Village At Rivergate LP	Store	2/23/09
1603	Longview Micro-Superstore	Campbell Properties LP	Store	2/23/09
1610	Waco Mini-Superstore	CC Investors 1995-2	Store	2/23/09
1624	College Station Superstore	Inland Western College Station Gateway II, LP	Store	2/23/09
1627	Florence Mini-Superstore	BPP-SC LLC	Store	2/23/09
1638	Cheyenne Micro-Superstore	Millman 2000 Charitable Trust	Store	2/23/09
3189	Dayton 2 Superstore	Macy's Central	Store	2/23/09
3196	Dayton 3 Superstore	Shoppes Of Beavercreek, LLC	Store	2/23/09
3226	Cool Springs Superstore	Thoroughbred Village GP	Store	2/23/09
3202	Gainesville Mini-Superstore	Circuit Investors #2 Ltd.	Store	2/23/09
3229	Midland Mini-Superstore	CC Investors 1995-5	Store	2/23/09
3230	High Point Superstore	CC - Investors 1996-12	Store	2/23/09
3244	Rocky Mount Micro-Superstore	Cobb Corners II, L. P.	Store	2/23/09
3252	Kingsport Micro-Superstore	CC Kingsport 98, LLC	Store	2/23/09
3260	Tulsa North Micro-Superstore	Southroads, LLC	Store	2/23/09
3276	Clarksville Micro-Superstore	Craig-Clarksville Tennessee, LLC	Store	2/23/09
3354	Pearl Ridge Mall	Watercress Associates LP	Pearl Ridge Mall	2/27/09
3428	San Luis Obispo Superstore	Irish Hills Plaza West II, LLC	Store	2/23/09
3508	Crossroads Superstore	Inland American Oklahoma City Penn, LLC	Store	2/23/09
3510	Tulsa South Superstore	TRC Associates, LLC	Store	2/23/09
3515	Bellevue Superstore	CCI Trust 1994-I; Lloyd Draper - Trustee	Store	2/23/09
3521	Jackson Superstore	CC Ridgeland 98 L.L.C.	Store	2/23/09
3564	Quail Springs Superstore	Memorial Square 103I, LLC	Store	2/23/09
3606	Lakeside Superstore	Bond-Circuit X Delaware Business Trust	Store	2/23/09
3607	Roseville Superstore	CC Roseville, LLC	Store	2/23/09
3608	Novi Superstore	Ramco West Oaks I LLC	Store	2/23/09
3611	Taylor Superstore	CC Investors 1996-14	Store	2/23/09
3613	Westland Superstore	WMI/MPI Business Trust	Store	2/23/09
3621	Evansville Superstore	Evansville Developers LLC, G.B.	Store	2/23/09
3630	Saginaw Superstore	Somerville Saginaw LP	Store	2/23/09
3631	Flint Superstore	Daniel G. Kamin Flint, LLC	Store	2/23/09
3635	Lansing West Superstore	Covington Lansing Acquisition LLC	Store	2/23/09
3705	Spring Meadows Mini-Superstore	Suemar Realty, Inc	Store	2/23/09
3733	Steubenville Micro-Superstore	Landman, Deborah, Eli Landman, Zoltan Schwartz & Anna Schwar	Store	2/23/09
3734	Franklin Park Superstore	Suemar Realty, Inc.	Store	2/23/09
3740	Bangor Mini-Superstore	Sacco Of Maine, LLC	Store	2/23/09
3748	Yuma Las Palillas Superstore	WCC Properties LLC	Store	2/23/09
3750	St. Clairsville Micro-Superstore	The St. Clairsville Parcel C.C. Development, LLC	Store	2/23/09
3774	Decatur Mini-Superstore	Decatur Plaza I, LLC	Store	2/23/09
3776	Brighton Superstore	Brighton Commercial, LLC	Store	2/23/09
3820	Greensburg, PA	Walnut Capital Partners - Lincoln Place LP	Construction Store	2/15/09
3830	Glynn Isles Superstore	Cap Brunswick, LLC	Store	2/23/09
3851	Madison Heights Superstore	MDS Realty II, LLC	Store	2/23/09
3863	Troy Hills Shopping Center	Federal Realty Investment Trust	Construction Store	2/15/09
3865	Fingerlakes Crossing "The City" Superstore	Fingerlakes Crossing, LLC	Store	2/23/09
4141	Homestead Shopping Center	DDR Homestead LLC, c/o Developers Diversified Realty Corp.	Construction Store	2/15/09
4142	Marlton	Marlton VF, LLC c/o Vornado Realty Trust	Construction Store	2/15/09
4237	Bunker Hills Shopping Center	I-10/Bunker Hill Associates, LP, c/o Fidelis Realty Partners, Ltd.	Construction Store	2/15/09
4246	Baton Rouge Superstore	Ggp Mall Of Louisiana, LP	Store	2/23/09
4309	Alexandria Mall Superstore	Alexandria Main Mall LLC	Store	2/23/09

9039	CCS Office (Westmoreland Telecenter)	Brandywine Grande C, LP	Office Property	2/28/09
9101 <sup>1</sup>	Circuit City Corporate Headquarters (Drl) (Building Lease only)	Lexington Corporate Properties, Inc.	Office Property	2/28/09
4237	Bunker Hills Shopping Center	I-10/Bunker Hill Associates, LP, c/o Fidelis Realty Partners, Ltd.	Constuction Store	2/15/09
4246	Baton Rouge Superstore	Ggp Mall Of Louisiana, LP	Store	2/23/09
4309	Alexandria Mall Superstore	Alexandria Main Mall LLC	Store	2/23/09
9039	CCS Office (Westmoreland Telecenter)	Brandywine Grande C, LP	Office Property	2/28/09
9101 <sup>1</sup>	Circuit City Corporate Headquarters (Drl) (Building Lease only)	Lexington Corporate Properties, Inc.	Office Property	2/28/09

<sup>1</sup> This Order has no force or effect with respect to the Ground Lease nor any sublease associated with the Ground Lease. The Debtors only seek to reject the Building Lease as of February 28, 2009.